

## General Terms and Conditions of Sale, last updated November 2017

### 1. 1. General

1.1. All deliveries and services of ATP Elektronik GmbH, Halstenbek, hereinafter referred to as "ATP", are exclusively subject to following terms and conditions. Any conflicting terms and conditions of purchase of our business partners (customers) will not apply.

### 2. 2. Prices and payments

2.1. Our prices are quoted ex works in EUROS (€) unpacked plus statutory value-added tax at the currently applicable rate (EXW according to Incoterms 2010) i.e. excluding transport, packaging, customs duties and insurance and refer to the technical documents submitted for the quotation.

2.2. If components must be custom purchased and if the excess from packaging units cannot be used in products to be manufactured later for this customer, these packaging excesses must be taken by the customer at the purchase price +15% handling surcharge.

2.3. If, between the conclusion of the contract and the purchase of components specified by the customer, the purchase prices for these components or the associated costs of purchase (such as custom duties, freight charges, etc.), the party disadvantaged by this fact may demand an adjustment of the price by the moment of delivery at the latest. The right of price adjustment is limited to a maximum of 15% of the agreed order price.

2.4. If the production specifications change during the term of the contract, all expenses resulting from these changes will be charged.

2.5. If the customer deviates from the requirements as to provision listed in the offer, the additional expenditure will be invoiced by ATP in addition. Expenditure of time will be charged at an hourly rate of €85.-.

2.6. Payments must be settled without discount within 30 days after invoicing at the latest. In case of a delay in payment, ATP will be free to charge default interest amounting to 9% over the respective base interest rate. This shall not affect any further claims for damages.

2.7. The customer will only have rights of set-off and rights of detention if and to the extent their counterclaims are in a reciprocal relationship (section 320 BGB [German Civil Code]) with the claims asserted by ATP or have been declared to be legally enforceable, are undisputed or accepted by ATP. Moreover, the customer is only entitled to exercise a right of retention to the extent to which their counterclaim is based on the same contractual relationship. If a customer defaults on payment or if bankruptcy, insolvency or composition proceedings are instituted against the customer, all claims of ATP under all existing contracts will immediately become due in full. ATP is entitled to assign their own claims.

### 3. 3. Delivery, force majeure

3.1. Delivery times stated by ATP will be kept if possible, but will not be binding upon ATP. In particular, ATP will be obliged to activity only if the customer met their contractual obligation and the order regarding technical and commercial issues are cleared up.

3.2. If the delivery is delayed compared to the agreed delivery date due to reasons for which the customer is responsible (e.g. delayed production release, delayed provision of material, delayed acceptance tests, refusal to take delivery, etc.), interest amounting to 4% over the respective base interest rate must be paid for the value of the goods for this period of time. ATP will also be entitled to issue par-

tial invoices for procured material and/or work performed if it becomes recognizable that such delays will occur.

3.3. All lots of a framework agreement must be taken delivery of within the agreed delivery period, starting on the date of the first delivery. If a residual quantity of items is not called up within this period, it will be delivered automatically at the end of the delivery period. If no delivery period is agreed upon, it will be 12 months.

3.4. Force majeure and other events of any kind that delay or in any other way impede our supplies of primary material or the delivery of goods and that are not within ATP's sphere of control and for which ATP is not responsible (e.g. official import and export restrictions, mobilization, war, blockade, strike, lockout, etc.) shall exempt ATP from the obligation to perform for the duration of their effects. If it becomes foreseeable for ATP that such events will delay the performance, ATP must communicate this fact to the customer. If, due to the delay, it is no longer reasonable to require either party to fulfil the contract, this party will be entitled to withdraw from the contract. Claims for damages of the customer based on these facts are excluded.

### 4. 4. Cancellations of orders and validity of the offer

4.1. In case of cancellation of an order by the customer, the work performed will be charged according to the production progress and material not yet processed at the purchase price +15% handling surcharge.

4.2. If a customer defaults, ATP will be entitled to withdraw according to the legal provisions.

### 5. 5. Material

5.1. ATP carries out a quantitative and visual incoming goods inspection only for provided components. The functionality and completeness of this material is guaranteed by the customer. ATP will not be liable for any defectiveness of the end product due to any defectiveness of such provided components.

5.2. ATP uses material according to the parts list specified by the customer for production orders. If either no reliable parts list is available or the material is not defined completely, ATP will be free to choose, this shall apply in particular for the selection of the manufacturer or the scope of functions, if this is not specified. ATP will not be liable for any defectiveness of the end product due to a defectiveness of components that ATP did not manufacture themselves, but procured from third-party companies. In this respect, ATP will be liable only if ATP detected or should have detected the defectiveness of the component or should have had reasonable doubt about the manufacturer's reliability.

### 6. 6. Passing of risk and taking delivery

6.1. Risk will pass to the customer - including in case of free delivery - when the items to be delivered leave our factory premises as well as, in case of delay as a result of circumstances for which we are not responsible or on customer's request, when the items are ready for dispatch.

6.2. Unless unreasonable in the individual case, partial deliveries are permissible and can be invoiced individually.

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### 7. Retention of title

- 7.1. ATP retains title to the delivered products until complete payment of all claims under the business relationship with the customer.
- 7.2. Processing or treatment of the goods subject to retention of title by the customer will always be carried out by order of ATP without any obligations arising for ATP as a result. Title to the new items in their respective status of treatment or processing shall be due to ATP. If the goods subject to retention of title are processed, treated, blended, mixed or combined with other products not belonging to ATP, ATP will be entitled to co-ownership of the new item in the ratio of the invoice price of the item subject to retention of title to the invoice price of the other products.
- 7.3. The customer may dispose of the goods subject to retention of title of which ATP has the sole or co-ownership in the ordinary course of business; pledging, transfer by way of security or assignment for security is not allowed to the customer. Already now and in advance, the customer assigns to ATP all claims that they are entitled to from the resale of the goods subject to retention of title or the products created by processing, treatment, blending, mixing or combining. This will apply as well if the products are sold at an all-round price together with other products not belonging to ATP. If a third party obtained ownership or co-ownership rights in the products as a result of processing, treatment, blending, mixing or combining based on legal provisions, the customer will assign the claims arising for them against the third party to ATP already now and in advance as well. Assignments as defined by this clause will always be performed to the amount of the invoice price of the goods subject to retention of title only. The customer is authorized to collect the assigned claims until ATP's revocation that is permissible at any time. ATP already now accepts the customer's assignments provided for in this clause.
- 7.4. ATP undertakes to release the securities due to ATP according to the foregoing provisions at their own choice on the customer's request to the extent to which their value exceeds the claims for which security is to be provided by more than 10%.
- 7.5. If the customer's cooperation is required for the effectiveness of the retention of title, for example in case of registrations required under the law of the country where the customer is based, the customer must perform such actions.
- 7.6. If the customer defaults on a payment, ATP may prohibit them to dispose of the goods subject to retention of title completely or at their choice in part as well e.g. sale or subsequent processing, etc. only.
- 7.7. If the customer meets the objective conditions for the obligation to file an insolvency petition, the customer must refrain from any disposition of whatever kind of the goods subject to retention of title - without a corresponding request being necessary. The customer is obliged to report the stock of the goods subject to retention of title immediately to ATP. Furthermore, in this case, ATP is entitled to withdraw from the contract and to demand surrender of the goods subject to retention of title. If the good subject to retention of title was processed, treated, blended, mixed or combined with other products, ATP will be entitled to demand surrender to a trustee; the customer is obliged to communicate all co-owners of the goods under retention of title stating their company name and/or name, address and co-owner's share. The same applies by analogy to claims that are assigned to ATP according to the foregoing clauses; in addition, the customer must pass on a copy of the names and addresses of all debtors as well as the documents proving the claims against them.

### 8. Liability for defects

- 8.1. We give a warranty for our products for initial manufacturing defects or defects in material only. If ATP procures material for custom-specific manufacturing, the conditions of liability for defects of the respective manufacturers of the component parts will apply to defects in material. Defects due to natural wear and tear, improper handling, operating errors, mechanical, chemical, electrochemical, physical effects and improper interventions shall not establish claims based on warranty rights.
  - 8.2. We will not be liable for the function of the produced products, if the customer specifies the components and the assembly of the components and a defect is based on this specification.
  - 8.3. Discrepancies between the actual shape and function of components and their description in documentations, specifications and other papers of the respective manufacturer will not constitute a reason for complaint if the designations of components were specified or released by the customer. We do not assume any liability in this respect.
  - 8.4. Acceptance of the products is performed at ATP according to the standard ICP-A-610, class 2. Other standards of manufacture and acceptance must be agreed upon in writing.
  - 8.5. Unless otherwise agreed, the delivery items are delivered after visual inspection. The visual inspection does not replace a functional test and does not allow a 100% identification of defects in material or manufacturing defects.
  - 8.6. Liability will only be assumed for the manufacturing defects and defects in material identifiable within the limits of possibilities. The customer must grant ATP a possibility to remedy defects by rectification. In case of defects that cannot be identified by ATP and moreover for such defects the causality of which cannot be readily identified by ATP, the customer must make available any required information for the removal of defects. If the customer fails to do so on request, ATP may temporarily suspend the measures for removal of defects.
  - 8.7. According to sections 381 para. 2, 277 HGB [German Commercial Code], the customer is obliged to immediately inspect the delivered product and to immediately give notice of any identified defects. A notice will only be immediate if it is given within two working days (Monday to Friday, exception: legal holidays at the customer's registered office) from identification of the defect. For this effect, the date of receipt by ATP is decisive. E-mail or fax is adequate. If the customer violates the obligation to inspect or to give notice of defects, the product will be deemed approved regarding the defect.
  - 8.8. The warranty period amounts to 12 months from delivery. Notwithstanding this fact, the legal period applies to claims for damages. If the customer asserts defects of a delivery item supplied by us within this warranty period, they must send us the complained object in proper packaging.
  - 8.9. Claims under production liability are not affected in accordance with the current applicable law.
- ### 9. Liability for damages
- 9.1. Claims for damages of any kind against ATP are excluded except for cases of intent or gross negligence or violation of an essential contractual obligation.
  - 9.2. An essential contractual obligation as defined here means any obligation the fulfilment of which makes the proper performance of the contract possible in the first place and on the observance of which the customer may regularly rely.
  - 9.3. However, the liability is limited to the reparation of the foreseeable damage typical for the contract except for cases of intent.

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- 9.4. The foregoing limitations and exclusions of liability do not apply to liability under the law on product liability or in cases of injury to life, body or health.
- 9.5. Customer's claims to reimbursement of expenses according to section 284 *BGB* are waived to the extent that a claim for damages in lieu of performance is excluded according to the foregoing provisions.

### 10. Export clause

- 10.1. The exportation and provision (including in electronic form) of the subject matters of contract, documents and technical know-how may be subject to the obligation to obtain an export permit or to an export prohibition - e.g. on account of the type, intended use, place of destination or addressee. In case of EXW sales, ATP supports the customer (for a fee) through appropriate measures in the filing of the application to obtain the required export permit. In all remaining cases, ATP takes suitable measures to apply for and obtain the export permit. ATP will be released from any performance if German, EU or US export regulations conflict with the export.

### 11. Place of performance, venue, applicable law

- 11.1. Unless otherwise agreed in the contract, the place of performance for the payment and the delivery shall be ATP's place of business.
- 11.2. If the supplier is a merchant, a legal person under public law or a special fund under public law, ATP's place of business will be the exclusive venue.
- 11.3. The law of the Federal Republic of Germany excluding the United Nations Convention on the International Sale of Goods shall apply exclusively.

### 12. Miscellaneous

- 12.1. Statements of intent of legal relevance made by the customer such as notices of termination, statements of withdrawal or demands for damages will only be effective if they are made in writing.
- 12.2. If confidentiality agreements (also NDA, non-disclosure agreements) exist between the customer and ATP, ATP will still be entitled to disclose data to subcontractors if this is required for the manufacture or delivery of vendor parts or for the preparation of quotations for such parts.